

### Amendments to the Specification

Please replace the paragraph beginning at line 6 of page 3 with the following amended paragraph:

U.S. Patent No. 5,599,703 describes a method of amplifying *in vitro* stem cells. In this method, hematopoietic ~~CD34.sup.+~~ CD34<sup>+</sup> stem and progenitor cells isolated from human bone marrow are contacted with endothelial cells, and cultured in the presence of at least one cytokine. This method produces increased yields of hematopoietic ~~CD34.sup.+~~ CD34<sup>+</sup> stem and progenitor cells which can be used in human therapeutics.

Please replace the paragraph beginning at line 12 of page 4 with the following amended paragraph:

In a further aspect, there is provided a purified preparation of mammalian hemangioblast cells which (i) is capable of proliferation in an *in vitro* culture for more than 40 generations, (ii) does not induce tumor formation in an ~~immunodeficient Rag1-deficient~~ immunodeficient Rag1-deficient mouse, (iii) maintains the potential to differentiate to hematopoietic and endothelial cells throughout the duration of said culture, and (iv) are inhibited from differentiation when cultured on a gelatinized, feeder-free layer.